

[Investor Name/Lead Investor]

[Address]

[City, State, Zip]

[Date]

[Company Name]

[Address]

[City, State, Zip]

RE: Non-Binding Letter of Intent Regarding Series A Board Governance

Dear [CEO Name],

This Letter of Intent ("LOI") outlines the proposed governance structure and Board of Directors composition for [Company Name] (the "Company") in connection with the proposed Series A Preferred Stock financing.

1. Board Composition

Upon the closing of the Series A financing, the Board of Directors shall consist of [Number, e.g., five (5)] members, structured as follows:

- [Number] Common Director(s) (typically the CEO and/or Founders);
- [Number] Series A Director(s) (designated by the Lead Investor);
- [Number] Independent Director(s) (mutually agreed upon by the Common and Series A directors).

2. Voting Rights and Protective Provisions

The Series A Director shall have standard veto rights over "Major Actions," including but not limited to:

- Amendment of bylaws or articles of incorporation;
- Liquidation or sale of the Company;
- Incurring debt over a specified threshold;
- Changes to the authorized number of shares.

3. Meeting Frequency and Information Rights

The Board shall meet no less than [Number, e.g., monthly/quarterly]. The Company will provide directors with monthly financial statements and annual budgets at least [Number] days prior to meetings.

4. Board Observers

[Lead Investor Name] shall have the right to appoint one (1) non-voting observer to attend all Board meetings and receive all materials provided to the directors.

5. D&O Insurance

The Company shall maintain a Directors and Officers (D&O) insurance policy with a minimum coverage of \$[Amount], acceptable to the Series A Director.

6. Expenses

The Company shall reimburse non-employee directors for all reasonable out-of-pocket expenses related to attendance at Board meetings.

7. Binding Nature

Except for sections regarding confidentiality and expenses, this LOI is non-binding and serves as a summary of terms to be included in the definitive Series A purchase agreements.

Sincerely,

[Your Name]

[Title]

[Investor Entity]

Accepted and Agreed:

[Name], CEO of [Company Name]